

VA Financial Policies and Procedures
Disbursements

CHAPTER 1

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0101 OVERVIEW

This chapter establishes the Department of Veterans Affairs (VA) financial policies and procedures regarding VA disbursements. VA currently makes Federal disbursements that include Federal wage, salary and retirement payments, vendor payments, employee expense reimbursement payments, benefit payments, foreign payments, and other miscellaneous payments.

The majority of VA disbursements are made via electronic funds transfers (EFT). However, VA has also designated certain employees as authorized disbursing officials, in accordance with 31 U.S.C. 3321, to expend public money through agent cashier funds. Although these funds are mainly used to satisfy the cash needs of Veterans, and/or to address declared or other emergency conditions, the U.S. Department of the Treasury (Treasury) is pursuing the phase-out of cash and paper checks for Federal benefit payments. Anyone applying for these benefits, on or after May 1, 2011, will receive payment electronically by direct deposit or Direct Express,¹ unless a hardship waiver is requested and granted.

Another legislative authority authorizing EFT was the Debt Collection Improvement Act (DCIA) of 1996. The DCIA required Federal agencies to use EFT for all disbursement payments, except for payments under the Internal Revenue Code of 1986 (Title 26 of the U.S. Code). Prior to the DCIA, the Cash Management Improvement Act (CMIA) of 1990 and the Cash Management Improvement Amendments of 1992 governed the transfer of funds between the Federal Government and the States for Federal grants and other programs.

In addition, the Prompt Payment Act under 5 C.F.R. 1315 requires Executive departments and agencies to pay commercial obligations within certain time periods or risk the possibility of incurring interest penalties when payments are not made on time.

0102 POLICIES

010201 DISBURSEMENT MECHANISMS. VA will adhere to the Treasury regulations prescribing the proper disbursement method.

010201.01 Electronic Funds Transfer (EFT). VA will primarily disburse funds by EFT when cost-effective, practicable, and consistent with current statutory authority. Refer to Office of Financial Policy (OFP) Volume VIII, Chapter 2, *Electronic Funds Transfer Requirement*, for detailed procedures on the requirement to use EFT.

A. VA will require disbursements to be made via EFT as a provision of new contractual agreements or renewal of existing contracts that impact agency payment mechanisms as described in Volume VIII, Chapter 2, *Electronic Funds Transfer Requirement*, Section 020202E.

¹ For more information on the switch from checks to direct deposit, see www.goDirect.org

B. VA will require that individuals, entities, or vendors request a waiver from EFT under 31 C.F.R. 208.4, described in Volume VIII, Chapter 2, *Electronic Funds Transfer Requirement*, Appendix A, Exemptions from EFT Requirement.

C. EFT Mechanisms.

1. Direct Deposit. This is an electronic payment alternative that uses the Automated Clearing House (ACH). VA will primarily use the ACH system, a nationwide payment and collection system used for the settlement of electronic debits and credits between financial institutions, to make payments. The ACH clears debits and credits electronically rather than through the physical movement of checks. ACH provides VA and its recipients the ability to disburse payments to bank accounts at designated financial institutions. Payment types include Federal employee salary, vendor, travel advances and reimbursements, recurring benefits, and other miscellaneous expenses. Title 31 C.F.R. 210 defines the responsibilities and obligations of various participants in the Federal Government ACH process. More information can be found in Section 020502B2a of Volume VIII, Chapter 2, *Electronic Funds Transfer Requirement*.

2. Vendor Express Program. This is VA's preferred payment method for contractors and vendors which electronically transfers money and remittance information through the ACH network to vendors, contractors, grant recipients and other commercial operations. More information can be found in Section 020502C3a of Volume VIII, Chapter 2, *Electronic Funds Transfer Requirement*.

3. Electronic Transfer Account (ETASM) (Electronic Benefit Transfer (EBT)). VA may use ETASM to provide an electronic payment to Federal recipients who do not have a bank. ETASM is a low-cost Treasury-designated electronic transfer account made available by a Federally-insured financial institution (e.g., bank, credit union, or savings and loan), acting as a Financial Agent in accordance with 31C.F.R.208.5, to which a Federal benefit, wage, salary or retirement payment may be deposited. The offering of an ETASM constitutes the provision of EBT services. More information can be found in Section 020502C2 of Volume VIII, Chapter 2, *Electronic Funds Transfer Requirement*.

4. Prime Vendor Program. VA will also use the Prime Vendor Program, an electronic payment program that automates Prime Vendor (pharmaceutical drugs and supplies) billings and payments. More information can be found in Section 020502C3b of Volume VIII, Chapter 2, *Electronic Funds Transfer Requirement*.

5. Government Charge Cards.

a. Government Purchase Card, Centrally Bill Account (CBA). VA will use the Government purchase card to the maximum extent practicable for purchases up to the \$150,000 simplified acquisition threshold established by FAR 2.101, where appropriate, and the proper delegation of authority has been granted to the cardholder. In addition to the purchase card, VA may use convenience checks that are written against a

purchase card account for payment. Refer to Volume XVI, Chapter 1, *Government Purchase Cards*, for guidelines and procedures on the VA Government purchase cards and convenience checks (see 010201.02C below).

b. VA Employee Travelers Charge Card. VA may issue employees a Government Charge Card to charge subsistence and other allowable travel and transportation expenses incurred during official Government travel. Under this program, the individual employee receives his/her own card, charges his/her allowable expenses, receives reimbursement from VA for authorized expenses, and is personally liable to the company issuing the charge card. VA employees with a traveler's charge card account in a current status may also be given approval to participate in the Automated Teller Machines (ATM) program. Authorized employees complete an enrollment form and receive a personal identification number (PIN). Employees may use their travel charge card to obtain cash travel advances at an ATM. Refer to Volume XVI, Chapter 2, *Travel Charge Card* for additional information.

c. Government Travel Charge Card, Centrally Billed Account. The Government Travel Charge Card is the preferred method of purchasing passenger transportation services used by a location or office. Refer to Volume XVI, Chapter 2, *Travel Charge Card*, for additional information.

6. Direct Express Debit Card. VA may use the Direct Express card to provide a safer and more convenient alternative to paper checks. Each month, payments will be automatically deposited on the Direct Express card account on the Federal beneficiary's designated payment day. Cardholders will be able to access their money at ATMs and financial institutions nationwide. They will be able to use their card to get cash back and make purchases at retail locations, as well as pay bills and make purchases online. In addition, these accounts are PIN-protected, insured by the Federal Deposit Insurance Corporation, and subject to Federal consumer protection regulations.

7. International Direct Deposit (IDD). IDD establishes an EFT service for foreign-resident payment recipients. The IDD program enables Federal payments to go directly to the recipients' accounts at financial institutions through a link between the Federal Reserve Bank of New York and electronic payment systems in foreign countries.

8. Grant Payment System. VA will make payments to grant recipients through the Department of Health and Human Services, Payment Management System (HHS/PMS). Program offices (e.g., State Home Construction, State Cemetery, and Homeless Providers) will initiate payment using the Office of Financial Business Operations (OFBO), or the National Cemetery Administration (NCA) for state cemeteries, who will process the payment through HHS/PMS. Payments are transferred to the Federal Reserve Bank and disbursed by ACH to the grant recipient. Grant information must be entered separately into VA's financial accounting system by OFBO or NCA.

010201.02 Cash and Checks. VA will primarily use EFT for disbursements, but may issue checks (e.g., Treasury checks, convenience checks) and other non-EFT mechanisms (e.g., Agent Cashier) in limited circumstances.

A. Agent Cashier. VA's approved Agent Cashiers may disburse cash for legitimate disbursements on a wide range of financial transactions. VA will authorize these Agent Cashiers as approved disbursing officials in accordance with 31 U.S.C. 3321 to expend public money. Refer to Volume VIII, Chapter 3, *Agent Cashier Accountability Policy*, for detailed information on these disbursing officials and their disbursement transactions.

B. Treasury Checks. Treasury checks are drawn on the U.S. Government and are issued at VA's request. These checks are not electronic disbursements and are generally not the most advantageous disbursement method. In lieu of Treasury checks, local facilities are required to use electronic disbursements for all new recipients unless a waiver has been issued, as described in Section 020501C and in Volume VIII, Chapter 2, *Electronic Funds Transfer Requirement*, Appendix A, Exemptions from EFT Requirement.

C. Convenience Checks (issued against Government purchase card accounts). VA may use convenience checks as a payment method for merchants who do not accept purchase cards or other authorized purposes where purchase cards are not accepted. Refer to Volume XVI, Chapter 1, *Government Purchase Cards*, for additional information on convenience check requirements and procedures.

D. Third Party Drafts. Third party drafts are check-like instruments drawn on and paid by an issuing company. The most common third party draft currently used by VA is the convenience check issued against a Government purchase card account. Other third party drafts are used in limited instances. Third party drafts may not be used for new payees unless a waiver has been issued, as described in Section 020501C and Volume VIII Chapter 2, *Electronic Funds Transfer Requirement*, Appendix A, Exemptions from EFT Requirement.

010202.03 Intra-Governmental Payment and Collection System (IPAC). VA will use IPAC as the disbursement mechanism for collecting and disbursing funds to and from other Federal agencies and components. IPAC provides a standardized inter-agency fund transfer mechanism for Federal program agencies, additional business information with individual transactions for reconciliation purposes, and an immediate processing of transactions.

010202.04 Transfers between VA and State Governments.

A. General. In accordance with 31 C.F.R. Part 205, VA will transfer funds to a State Government as soon as funds are due. The CMIA governs the transfer of funds between the Federal Government and the States for major Federal assistance programs listed in the Catalog of Federal Domestic Assistance (CFDA). The three key transfer principles of the legislation are:

1. The Secretary of the Treasury must enter into an Agreement with each State that establishes the terms for CMIA implementation of affected programs.
2. The State and VA must minimize the time elapsing between the transfer of funds from the Treasury and the payout of funds for program purposes by a State.
3. Interest payments will be exchanged between a State and the Federal Government through the Treasury in instances where funds are not transferred in a timely manner.

B. Federal Programs Affected. The CMIA provides separate transfer regulations for programs covered and those not covered by a Treasury and State Agreement (TSA). Programs that may be covered by a TSA are listed in the CFDA. The State may choose the applicable thresholds established by the Single Audit Act Amendments of 1996 in determining the programs to be covered in their TSAs. Any program that involves transfers between VA and a State government may be included upon justification by the affected state. Potential programs will only be covered if a State or VA requests inclusion.

1. If the program is included in a TSA, the agreement will specify the funding technique, the interest calculation method, and the clearance pattern method.
2. If the program is not included in a TSA, all funds will be transferred on a timely basis.

C. VA Requests for TSA Inclusion. If a State demonstrates an unwillingness or inability to draw timely advances, VA may request that the program be included in a TSA. The VA Chief Financial Officer (CFO), Administration CFO, or staff office CFO will provide a request and supporting documentation to OFP's Cash and Debt Management Division (047GC1), Office of the Associate Deputy Assistant Secretary for Financial Policy.

D. Notification of Inclusion. The Cash and Debt Management Division maintains ongoing contact with Treasury's cash management officials. Treasury provides a copy of the TSA and notifies the Cash and Debt Management Division when a VA program will be included in a TSA. The CFO will notify the Cash and Debt Management Division of the staff office designated to handle the TSA record information. The Cash and Debt Management Division will provide a copy of the signed TSA to the designated staff upon receipt.

E. Review of Pending Agreements. TSAs normally cover the period July 1 to June 30 of the following year. VA will normally have an opportunity to review and comment in June prior to signing the TSA. However, this review period is available for a very short time period, sometimes only 24 hours. Immediately upon receiving notice of a potential TSA, Cash and Debt Management Division staff will notify the respective designated office.

F. Recordkeeping for Included Programs. Designated offices are responsible for obtaining and maintaining complete TSA record information, to include accurate billing and payment records. Upon request, the designated office will forward the records to the Cash and Debt Management Division. Cash and Debt Management, along with Treasury, will use the records to determine whether interest is due to or from the State.

010202.05 Foreign Disbursements.

A. Veterans Benefits Payments. VA will provide monetary benefits payable to eligible Veterans regardless of place of residence or nationality. The following are the types of veterans benefits payments:

- Education Benefits. VA may provide a certain amount of educational tuition and mandatory fees for use for direct enrollment at qualifying foreign post secondary institutions or for study abroad programs, if it is part of the U.S. institution's degree requirements.
- Medical Benefits. VA's Foreign Medical Program (FMP) will assume payment responsibility for necessary hospital care and medical services associated with the treatment of service-connected conditions for Veterans who are residing or traveling abroad. These payments will be made by U.S. Treasury checks and will be issued in U.S. currency. Payment will be based on the exchange rate applicable to the date of service, or in the case of hospitalization, the discharge date.
- Compensation and Pension Benefits. VA will provide compensation benefits to eligible Veterans because of injuries or diseases that happened while on active duty or were made worse by active military service. VA will provide pension benefits to Veterans with limited income who are no longer able to work.

Refer to Appendix A, VA Checks to Beneficiaries in Foreign Countries for additional information on restrictions.

B. Foreign Vendors, Foreign Service Nationals, and Other Miscellaneous Payment Recipients. VA will follow the applicable Treasury or the Department of State rules for foreign disbursements.

1. VA will utilize ITS.gov for processing international direct deposit payments. Treasury's Kansas City Financial Center is the primary processor for all foreign payment transactions for Treasury's Financial Management Service (FMS) on behalf of Federal

Program Agencies. However, issuance of checks in U.S. dollars to foreign recipients is not supported by ITS.gov. When a payment cannot be issued using ITS.gov, Treasury FMS will use the Department of State to make the payment.

2. VA will work with the Department of State to process certain international payments, including salary for Foreign Service national employees and vendor payments. VA may use written checks to make payments to foreign vendors, salary for foreign service national employees, and other miscellaneous payment recipients, when necessary.

010202 RETURNED DISBURSEMENTS.

A. Disbursements through VA's Financial Services Center (FSC). The FSC will work with the Finance Activities to ensure that any disbursements returned to VA are resolved and paid out to the appropriate entity.

B. Disbursements, other than through the FSC. Once identified, the respective Finance Activity will work with the disbursing activity (i.e., Department of State and/or Department of the Treasury) to resolve any returned disbursements.

010203 PROMPT PAYMENT. VA will pay invoices in accordance with the Prompt Payment Act under 5 C.F.R. 1315 to ensure late payments are avoided that may result in unnecessary interest charges. VA will also ensure that payments are routinely made by certifying officers to take advantage of any cash discounts, as outlined in the Treasury conversion formula (see TFM Volume I, Part 6, Chapter 8040.40). Discounts will be taken that result in an effective annual interest rate equal to, or greater than, the Current Value of Funds Rate.² Refer to Volume IX, Chapter 2, *Voucher Audit*, for more detailed information on the determination of payment dates based on the Prompt Payment Act.

0103 AUTHORITY AND REFERENCES

010301 31 U.S.C. 3329, Withholding checks to be sent to foreign countries

010302 31 U.S.C. 3330, Payment of Department of Veterans Affairs checks for the benefit of individuals in foreign countries

010303 31 U.S.C. 3332, Required Direct Deposit

010304 31 U.S.C. 3901–3907, Prompt Payment

010305 5 C.F.R. 1315, Prompt Payment

² The Current Value of Funds Rate can be found on Treasury's website at:
<http://www.fms.treas.gov/cvfr/index.html>

010306 31 C.F.R. Part 206, Management of Federal Agency Receipts, Disbursements and Operation of the Cash Management Improvements Fund

010307 31 C.F.R. Part 208, Management of Federal Agency Disbursements

010308 31 C.F.R. Part 210, Federal Government Participation in the Automated Clearing House

010309 Treasury Financial Manual (TFM), Volume I, Part 4, Chapter 1100, Delegations and Designations of Authority for Disbursing-Related Functions

010310 Treasury Financial Manual, Volume I, Part 6, Chapter 8000, Cash Management

010311 Treasury Guidebook, Cash Management Made Easy

0104 ROLES AND RESPONSIBILITIES

010401 The Assistant Secretary for Management/Chief Financial Officer (CFO) oversees all financial management activities relating to the Department's programs and operations, as required by the Chief Financial Officers Act of 1990 and 38 U.S.C. 309: Veterans' Benefits. Specific responsibilities include the direction, management and provision of policy guidance and oversight of VA's financial management personnel, activities and operations. The CFO establishes financial policy, systems and operating procedures for all VA financial entities and provides guidance on all aspects of financial management.

010402 Under Secretaries, Assistant Secretaries, Chief Financial Officers, Fiscal Officers, Chiefs of Finance Activities, Chief Accountants and other key officials are responsible for ensuring compliance with the policies and procedures set forth in this chapter.

010403 The Office of Financial Policy, Cash and Debt Management is responsible for developing policies and procedures for cash and debt management in accordance with the Debt Collection Improvement Act of 1996 and other Governmentwide programs and initiatives. Programs and initiatives include, but are not limited to, agent cashier activities, electronic funds transfer (EFT), collection actions and debt collection reporting, and Treasury Offset and Cross-Servicing.

010404 Principal Agent Cashiers and Alternate Agent Cashiers, are responsible for disbursing cash and carrying out other cash operations. Principal Agent Cashiers who are authorized to make payments from funds advanced to them are regarded as a category of disbursing officer. Alternate Agent Cashiers are responsible for performing agent cashier functions only during the absence of the Principal Agent Cashier. Cashiers are personally liable for any loss or shortage of funds in their custody unless

relieved by proper authority. Like other accountable officers, they are regarded as insurers and are subject to strict liability.

010405 The Financial Services Center (FSC), located in Austin, Texas, is a VA franchise fund (fee-for-service) organization. Under the authority of The Government Management Reform Act of 1994 and The Military Quality of Life and Veterans Affairs Appropriations Act, 2006, Public Law 109-114, the FSC offers a wide range of financial and accounting products and services to both VA and other Government agencies. The FSC has the primary responsibility to make disbursements for payments to vendors.

0105 PROCEDURES

Refer to 0102 Policies for information. The following appendix includes additional information related to the policies:

- Appendix A: VA Checks to Beneficiaries in Foreign Countries.

0106 DEFINITIONS

010601 Benefit/Retirement Payments. These payments are made to individuals eligible for financial assistance, supplemental income, civil service, or education assistance payments. These payments often are long term and recurring.

010602 Centrally Billed Account (CBA). A CBA is a charge card/account established by the Charge Card Contractor at the request of the Agency/Organization Program Coordinator, wherein the Government is liable for the payment of the charges made under the account by an authorized user. Under a CBA, the agency/organization pays the contractor directly for all non-disputed transactions.

010603 Convenience Check. Convenience checks are written against a purchase card account. Convenience checks are a payment and/or procurement tool intended only for use with merchants who do not accept purchase cards and for other authorized purposes where charge cards are not accepted.

010604 Disbursements. An outflow of funds from an agency for the purpose of paying Federal wage, salary and retirement payments, vendor and expense reimbursement payments, benefit payments and miscellaneous payments, including, but not limited to: interagency payments; grants; loans; fees; principal, interest and other payments related to U.S. marketable and nonmarketable securities; overpayment reimbursements; and payments under Federal insurance or guarantee programs for loans.

010605 Disbursement Mechanisms. Any tool or system by which VA transfers money to an outside recipient or to another Federal agency.

010606 Electronic Benefits Transfer (EBT). The provision of Federal benefit, wage, salary, and retirement payments electronically, through disbursement by a financial institution acting as a Financial Agent. EBT may include disbursements through ETASM or through a Federal/State EBT program. Refer to Vol VIII Chapter 2, *Electronic Funds Transfer Requirement*, for additional information.

010607 Electronic Funds Transfer (EFT). Any transfer of funds, other than a transaction originated by cash, check or similar paper instrument, that is initiated through an electronic terminal, telephone, computer or magnetic tape for the purpose of ordering, instructing or authorizing a financial institution to debit or credit an account. The term includes Automated Clearing House (ACH) transfers, Fed Wire transfers, transfers made at automatic teller machines and point-of-sale terminals, including the use of the Government purchase card and other means of credit card transactions.

010608 Foreign Currency. Money of a country other than one's own.

010609 Foreign Medical Program (FMP). A program for Veterans who live or travel overseas. Under the FMP, VA will pay the VA allowable amount for a service-connected disability.

010610 Foreign Payments. An outflow of funds to provide benefits to Veterans and their eligible dependents in foreign countries, salary to foreign service nationals, payments to foreign vendors, and other miscellaneous recipients.

010611 International Direct Deposit (IDD). An electronic funds transfer mechanism that deposits payment directly into a local bank account in local currency (for most countries).

010612 International Treasury Services (ITS). A comprehensive international payment and collection system used for processing international direct deposit payments to benefit recipients and both electronic and check payments to vendor, foreign payroll, and miscellaneous payment recipients. ITS offers a Governmentwide common solution for issuing international payments in established and emerging markets worldwide. For more information on ITS, see the Web site at [Electronic Funds Transfer \(EFT\): International Treasury Services](#).

010613 Intra-Governmental Payment and Collection (IPAC). The preferred method of collecting and disbursing funds electronically to and from other Federal agencies and components.

010614 Miscellaneous Payments. The miscellaneous payments are made for various Federal program-related expenditures, including interagency transfers, loans, grants, medical, emergency and other administrative obligations.

010615 Purchase Card. A centrally billed Government charge card used to pay for goods and services in support of official Government business.

010616 Prime Vendor Program. An electronic payment program that automates Prime Vendor (pharmaceutical drugs and supplies) billings and payments. When a purchase is made, prime vendors will bill the credit provider who transmits the transaction electronically to the Financial Services Center and an electronic payment is made to the credit provider.

010617 Recipient. An individual, corporation or other public or private entity that is authorized to receive a Federal payment from VA.

010618 Salary Payments. Salary payments include compensation paid on a regular basis to employees of Federal agencies for services, including wages paid on an hourly basis to employees. Also included in this category are awards or settlements paid to employees in excess of the fixed compensation amount and travel reimbursements (refer to Volume XIV, *Travel*). Any apportionment, allocation or assignment of employees' salaries or wages should be classified as salary payments even though the allotment may be paid to an outside entity on behalf of the Federal employee.

010619 Special Deposit Account. Account established by Treasury to withhold checks to be sent to foreign countries if the Secretary of the Treasury decides that postal, transportation, or banking facilities generally, or local conditions in the foreign country, do not reasonably ensure that the payee (1) will receive the check or warrant; and (2) will be able to negotiate it for full value.

010620 Vendor. Any person, organization, or business concern engaged in a profession, trade, or business and any not-for-profit entity operating as a vendor, including State and local governments and foreign entities, but excluding Federal entities.

010621 Vendor Express. A payment method for contractors and vendors, which electronically transfers money and remittance information through the ACH network to vendors, contractors, grant recipients and other commercial operations.

010622 Vendor Payments. These payments involve the electronic transfer of funds and payment-related information used by the Federal Government for payments to businesses that provide goods and services to Federal agencies and other payment recipients, such as educational institutions. These payments are made to contractors, businesses and/or utility companies for goods or services. Generally, the Federal agency will execute a purchase order or contract and the vendor will provide a bill or invoice against the purchase order or contract for goods or services rendered.

0107 RESCISSIONS

010701 VA Directive 4070, Cash Management

010702 VA Handbook 4070.2, Disbursement Mechanisms

010703 OF Bulletin 00GC1.02, Cash Management and Disbursement Requirements

0108 QUESTIONS

Questions concerning these financial policies and procedures should be directed as follows:

VHA	VHA CFO Accounting Policy (10A3A) (Outlook)
VBA	VAVBAWAS/CO/FINREP (Outlook)
All Others	OFP Accounting Policy (Outlook)

APPENDIX A: VA CHECKS TO BENEFICIARIES IN FOREIGN COUNTRIES

A. In accordance with 31 U.S.C. 3330, VA may request checks for the benefit of individuals in foreign countries to be issued through the Treasury. A check is deemed to be issued for sending to a foreign country and subject to this section, if it is:

- Drawn on public money;
- For benefits under laws carried out by the Secretary of VA; and
- To be sent to a person in the United States or a territory or possession of the United States, and the person is legally responsible for the care of an individual in a foreign country.

B. VA may be restricted from issuing checks if the Secretary of the Treasury, as authorized by 31 U.S.C. 3329, prohibits a check or warrant drawn on public money from being sent to a foreign country from the United States, or from a territory or possession of the United States, when the Secretary decides that postal, transportation, or banking facilities generally, or local conditions in the foreign country, do not reasonably ensure that the payee will receive the check or warrant, and will be able to negotiate it for full value.

C. When VA issues checks, the Secretary of VA will notify the Secretary of the Treasury of the checks issued. The Secretary of VA, however, may exempt the issuance of a check if it would reduce, discontinue, or deny benefits for the care of a dependent of an individual in a foreign country.

D. When the amount of checks (representing payments to an individual under laws administered by the Secretary of VA) transferred equals \$1,000, the amounts of additional checks (except checks under contracts of insurance) payable to the individual under those laws will be deposited into the Treasury as miscellaneous receipts.

E. VA may pay a deceased beneficiary payment claim only if it is filed with the Secretary of VA by the end of the first year after the date of the death of the individual entitled to payment, and completed by submitting the necessary evidence by the 6th month after the date the Secretary of VA requests the evidence. Payment will include only amounts due at the time of death under ratings or decisions existing at the time of the death.